



PERMIAN BASIN REGIONAL PLANNING COMMISSION
REGIONAL REVIEW COMMITTEE GUIDEBOOK
2011-2012 TxCDBG PROGRAM

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PART I - INTRODUCTION

PERMIAN BASIN REGIONAL PLANNING COMMISSION REGIONAL REVIEW COMMITTEE GUIDEBOOK

2011-2012 TEXAS COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

The Permian Basin Regional Review Committee (RRC) Guidebook has been prepared in accordance with the 2011 TxCDBG Action Plan and the 2011-2012 Regional Review Committee Scoring and Training Guidelines for the Community Development Fund. The Guidebook provides eligible applicants from the Permian Basin Regional Planning Commission (PBRPC) region with the application guidelines necessary to be scored under the Permian Basin RRC scoring criteria.

Any questions regarding the RRC or the Guidebook should be directed in writing after the Permian Basin RRC Guidebook has been published in the website of the Texas Department of Rural Affairs (TDRA) to:

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PART II
PBRPC
RRC APPROVED ACTIONS

1. The PBRPC RRC held its required Public Hearing on May 5, 2010 to hear public comments on the proposed objective scoring criteria, and to approve the RRC Guidebook, project priorities and the objective scoring criteria.
2. The RRC selected the Permian Basin Regional Planning Commission as support staff to develop and disseminate the RRC Guidebook. The RRC selected the Permian Basin Regional Planning Commission as support staff to calculate the RRC scores and provide other administrative RRC support.
3. The RRC established the maximum grant amounts for the region:
 - Single jurisdiction: \$350,000.00
 - Multi-jurisdictions: \$350,000.00
4. The RRC did not establish set-asides for housing and non-border colonia projects.
5. The RRC did not elect to participate in the pilot “Forward Commitments” Program.

PART III **PBRPC RRC** **SUMMARY OF OBJECTIVE SCORING CRITERIA**

Total points by PBRPC: 960 points

A. Project Type: Total points 300 maximum:

- Is the project categorized as a first, second, third, fourth or fifth RRC priority?
 - First Priority – **300 points**
 - Second Priority – **294 points**
 - Third Priority – **270 points**
 - Fourth Priority – **255 points**
 - Fifth Priority – **240 points**

B. Need / Distress: Total Points 310 maximum:

- What is the poverty rate (poverty percentage) of the census geographic area?
- 70 points maximum
- What is the per capita income of the census geographic area?
- 70 points maximum
- What is the unemployment rate for the applicant based on the appropriate county data?
- 70 points maximum
- Has applicant been funded in the previous 2 Community Development/Community Development Supplemental Fund, Community Development Block Grant – Recovery, Rural Sustainability Fund (CD/CDS/CDBG-R/RSF) Fund or other applicable TxCDBG Funds biennial 2007/2008 and 2009/2010 application cycles?
- 100 points maximum

C. Match / Leverage: Total Points 100 Maximum:

- What is the match amount? (Match amount / TxCDBG Construction Funds requested)

- 100 points maximum

D. Financial Capacity: Total Points 250 Maximum:

1. Is this a water or sewer (excluding on-site septic systems) project? If yes- questions 1a and 1c must be answered. If no – questions 1b and 1c must be answered.

- 250 points maximum

- 1a. What is the total number of active water connections provided by the application's service provider compared to the median of active water connections of all service providers in application's of applicants answering yes to Question 1?

- 175 points maximum

- 1b. What is the property taxable value per capita for the applicant's jurisdiction as compared to the average property taxable value per capita of all applicants answering no to Question 1?

- 175 points maximum

- 1c. What is the per capita bonded indebtedness as compared to the average of the per capita bonded indebtedness of all applicants.

- 75 points maximum

**PART IV
PBRPC
RRC OBJECTIVE SCORING CRITERIA**

PROJECT TYPE/PRIORITY

1. Is the project categorized as a first, second, third, fourth, or fifth RRC priority?
(300 Points Maximum)

Methodology: Table 1 will be reviewed to determine the appropriate project type category based on TxCDBG funds requested and points will be assigned. Projects that include multiple priority levels must be prorated based on a percentage of TxCDBG construction dollars.

- | | |
|--|------------|
| a. First Priority Projects – Water, includes projects with yard lines on private property | 300 Points |
| b. Second Priority Projects – Sewer | 294 Points |
| c. Third Priority Projects – First Time On-Site Sewerage Facilities (septic systems) to replace un-permitted systems | 270 Points |
| d. Fourth Priority Projects – Streets/Roads/Drainage | 255 Points |
| e. Fifth Priority Projects – Other | 240 Points |

Data Source: As Stated Below

Project Type Submitted: CD Application Table 1, verified by TDRA, and Table 2 (for un-permitted septic systems – Table 2 must say “un-permitted”.

Information Needed From Applicants to Score:

List Projects Submitted By Type As Stated In Table 1:

1. _____
2. _____
3. _____
4. _____

SCORE _____

NEED / DISTRESS

1. What is the poverty rate (poverty percentage) of the census geographic area?

(70 Points Maximum)

SCORE _____

Methodology: Poverty rate may be determined by reviewing the 2000 Census data for the census geographic area. Once this information is obtained for each applicant and the target identified on the census map, the poverty rate for each applicant is calculated by dividing the total number of persons at or below the designated poverty level by the population from which poverty persons was determined. Once this has been determined, the average poverty rate of the applicants is determined by dividing the sum of all poverty rates by the number of applicants.

Next, a base is determined by multiplying the average poverty rate by a constant such as 1.25 to represent 125%. The poverty rate is then divided by the base for each applicant to determine their poverty factor.

Finally, to determine scores the poverty factor for each applicant is multiplied by the total maximum allowable points. **Any applicants exceeding the total allowed points will be capped at the maximum.**

For example, a region has five applicants. The average rate of the five applicants is .2647. A constant of 1.25 is multiplied by the average poverty rate to determine the base. The poverty rate of each applicant is then divided by the base to determine their poverty factor. Finally, scores for each applicant are determined by multiplying the poverty factor by the maximum available points for this scoring criterion.

EXAMPLE:

| Applicant | Poverty Rate | Poverty Factor | Score |
|------------------|---------------------|-----------------------|--------------|
| A | .1960 | 0.5925 | 41.48 |
| B | .4096 | 1.2382 | 70.00 |
| C | .2276 | 0.6880 | 48.16 |
| D | .3760 | 1.1366 | 70.00 |
| E | .1143 | 0.3455 | 24.19 |

Average: $1.3235 / 5 = .2647$ Base = $1.25 * .2647 = .3308$

Maximum Allowable Points: 70

If the target area(s) encompasses more than one census geographic area (such as two or more Census Tracts or Block Groups or any combination of Census Tract(s) and/or Block Group(s), the poverty rate shall be calculated as follows: sum of the total number of persons at or below the designated poverty level of all census geographic areas in the target area divided by the sum of the total population from which poverty persons was determined of all census geographic areas in the target area.

Data Source: As Stated Below

Population and Poverty Rate: 2000 Census Summary File 3 Table P87

Census Geographic Area: 2000 Census map(s)

Information Needed From Applicant to Score:

Total Population of the Census Geographic Area: _____

Census Geographic Area Poverty Rate: _____

Target Area(s) identified on Census Map(s): attach map(s)

2. What is the per capita income of the census geographic area?

(70 Points Maximum)

SCORE _____

Methodology: Per capita income may be determined by reviewing the 2000 Census data for the census geographic area. Once this information is obtained for each applicant and the target area identified on the census map, the average annual per capita income is calculated by dividing the sum of all annual per capita incomes by the total number of applicants.

Next, a base is set to provide a constant for the equation. The base is calculated by multiplying the average per capita income by a set number such as .75 to represent 75%. The base is then divided by the annual per capita income for each applicant. This number is referred to as the annual per capita income factor.

Finally to determine the score for each applicant the annual per capita income factor is multiplied by the total maximum allowable points. **Any applicants exceeding the total allowed points will be capped at the maximum.**

For example, a region has five applicants. The average annual per capita income of the five applicants is \$34,200. A constant of .75 is multiplied by the annual average per capita income to determine the base (25,650). The base is then divided by the annual per capita income of each applicant to determine their per capita income factor. Finally, scores for each applicant are determined by multiplying the per capita income factor by the maximum available points for this scoring criterion. **EXAMPLE:**

| Applicant | Per Capita Income PCI | PCI Factor | Score |
|-----------|--------------------------|---------------|-------|
| A | \$36,000 | .7125 | 49.88 |
| B | \$32,000 | .8016 | 56.11 |
| C | \$33,500 | .7657 | 53.60 |
| D | \$34,000 | .7544 | 52.81 |
| E | \$35,500 | .7225 | 50.58 |

| | | | |
|--|------------------|--|--|
| | \$171,000 | | |
|--|------------------|--|--|

Average: $171,000 / 5 = 34,200$
Maximum Allowable Points: 70

Base= $.75 * 34,200 = 25,650$

If the target area(s) encompasses more than one census geographic area (such as two or more Census Tracts or Block Groups or any combination of Census Tract(s) and/or Block Groups, the per capita income shall be calculated as follows: sum of Aggregate Income in 1999 (P83) of all census geographic areas in the target area divided by the sum of the Total Population (P1) of all census geographic areas in the target area.

Data Source: As Stated Below

Per Capita Income for the Census Geographic Area: 2000 Census Data File 3 Table P82

OR

If geographic area contains more than one Census Tract/Block Group: P1 and P83.

Census Geographic Area: 2000 Census map(s)

Information Needed From Applicant to Score:

Per Capita Income for Census Geographic Area: _____

Target Area(s) identified on Census Map(s): attach map(s)

3. What is the unemployment rate for the applicant based on the appropriate county data?

(70 Points Maximum)

SCORE _____

Methodology: The unemployment rate for the applicant may be determined by reviewing county data from the Tracer section of the Texas Workforce Commission's website. In the case that an applicant is in multiple counties, then the unemployment rate for that applicant, for the calculations following, will be the average of the county data. Next, the average unemployment rate of the applicants is determined by dividing the sum of all unemployment rates by the number of applicants.

Next, a base is determined by multiplying the average unemployment rate by a constant such as 1.25 to represent 125%. The unemployment rate is then divided by the base for each applicant to determine their unemployment factor.

Finally, to determine scores the unemployment factor for each applicant is multiplied by the total maximum allowable points. Any applicants exceeding the total allowed points will be capped at the maximum.

For example, a region has five applicants. The average unemployment rate of the five applicants is .2647. A constant of 1.25 is multiplied by the average unemployment rate to determine the base (0.3308). The unemployment rate of each applicant is then divided by the base to determine their unemployment factor. Finally, scores for each applicant are determined by multiplying the unemployment factor by the maximum available points for this scoring criterion.

Projects that include multiple jurisdictions - the applicant with the largest percentage (%) of beneficiaries will be considered the applicant of record.

EXAMPLE:

| Applicant | Unemployment Rate | Unemployment Factor | Score |
|------------------|--------------------------|----------------------------|--------------|
| A | .1960 | 0.5925 | 41.48 |
| B | .4096 | 1.2382 | 70.00 |
| C | .2276 | 0.6880 | 48.16 |
| D | .3760 | 1.1366 | 70.00 |
| E | .1143 | 0.3455 | 24.19 |

Average: $1.3235 / 5 = .2647$ Base = $1.25 * .2647 = .3308$
Maximum Allowable Points: 70

Data Source: TWC Tracer for 2009 Annual Data as provided on the TDRA website (available approximately 30 days before application deadline)

Information Needed From Applicant to Score:

Applicant Unemployment Rate for 2009 Annual Data: _____

4. Has applicant been funded in the previous 2 Community Development/Community Development Supplemental Fund, Community Development Block Grant – Recovery, Rural Sustainability Fund (CD/CDS/CDBG-R/RSF) Fund, or other applicable TxCDBG, biennial 2007/2008 and 2009/2010 application cycles? (100 Points Maximum)

Methodology: Data source documentation will be reviewed and points will be assigned. Multi-jurisdiction applications will be scored based on whether the same multi-jurisdiction applications were funded in 2007/2008 or 2009/2010.

| | |
|---|-------------------|
| If <u>not</u> funded in 2 previous CD/CDS/CDBG-R/RSF cycles | <u>100 Points</u> |
| If funded in 1 of 2 previous CD/CDS/CDBG-R/RSF cycles | <u>50 Points</u> |
| If funded in 2 previous CD/CDS/CDBG-R/RSF cycles | <u>0 Points</u> |

SCORE _____

Data Source: TDRA Tracking System Report

Information Needed From Applicant to Score:

Funded in Previous 1 or 2 CD/CDS/CDBG-R/RSF cycles:

2007-2008

Yes ____ No ____

List Contract No.

2009-2010

Yes ____ No ____

List Contract No.

MATCH/LEVERAGE

1. What is the match amount?

[Match Amount / TxCDBG Construction Funds Requested]

(100 Points Maximum)

SCORE _____

If the project serves beneficiaries for applications submitted by cities, the total city population is used. If the project is for beneficiaries for the entire county, the total population of the county is used. If the project is for activities in the unincorporated area of the county with a target area of beneficiaries, the population category is based on the unincorporated residents for the entire county. For county applications addressing water and sewer improvements in unincorporated areas, the population category is based on the actual number of beneficiaries to be served by the project activities. Projects that include multiple jurisdictions – the applicant with the largest percentage (%) of beneficiaries will be considered the applicant of record.

Applicant(s) population equal to or less than 2,000 according to the 2000 Census:

- Match equal to or greater than 0% of grant request 100 points

Applicant(s) population equal to or less than 5,000 but over 2,000 according to the 2000 Census:

- Match equal to or greater than 5% of grant request 100 points
- Match at least 4% but less than 5% of grant request 75 points
- Match at least 3%, but less than 4% of grant request 50 points
- Match at least 2%, but less than 3% of grant request 25 points
- Match less than 2% of grant request 0 points

Applicant(s) population over 5,000 according to the 2000 Census:

- Match equal to or greater than 15% of grant request 100 points
- Match at least 11.5% but less than 15% of grant request 75 points
- Match at least 7.5%, but less than 11.5% of grant request 50 points
- Match at least 3.5%, but less than 7.5% of grant request 25 points
- Match less than 3.5% of grant request 0 points

Data Source: As Stated Below

Applicant Match: SF 424 and Resolution and/or Commitment Letter from 3rd Party Source

Population: 2000 Census Data Summary File 3 Table P1

County Unincorporated Water/Sewer Beneficiaries: CD Application Table 1 Verified by TDRA

Information Need from Applicant to Score:

Applicant Population: _____

Applicant TxCDBG Construction Amount: \$ _____

Applicant Match From All Sources: \$ _____

County Unincorporated Water/Sewer Beneficiaries: _____

FINANCIAL CAPACITY

Total points will be awarded based on answers to questions 1a and 1c or 1b and 1c. Points will not be awarded for 1a and 1c plus 1b and 1c.

Projects that include multiple jurisdictions – the applicant with the largest percentage (%) of beneficiaries will be considered the applicant of record.

Projects that include multiple activities will be prorated based upon Total TxCDBG dollars requested less Administration, Engineering and Acquisition.

1. *Is this a water or sewer (excluding on-site septic systems) project?* **(250 Points Maximum)**

___ Yes (if yes, 1a. and 1c. must be answered) **Score:** _____
(Score = 1a. score + 1c. score)

___ No (if no, 1b. and 1c. must be answered) **Score:** _____
(Score = 1b. score + 1c. score)

1a. *What is the total number of active water connections provided by the application's service provider compared to the median of active water connections of all service providers in applications of applicants answering yes to Question 1?*

(175 Points Maximum)

1a Score: _____

Definitions:

Active water connection - a water connection that the service provider bills on regular interval (ie: monthly, quarterly, semi-annually, annually or any other regular interval)

Service provider - the entity actually providing the water service. (ie: City, MUD or other service provider doing business under the laws of Texas)

Methodology: *(assumption – comparison of service provider's in applications of applicants answering yes to Question 1.)*

This score is determined by comparing the service provider's number of active water connections to the median of active water connections of all service providers in applications of applicants answering yes to Question 1. The calculation considers the service provider's number of active water connections compared to the median number of active water connections for all service providers. The service provider's number of

active water connections is derived from data provided by the service provider that states the number of active water connections and is certified by the Chief Financial Officer and the Chief Executive Officer of the service provider as of 6/30/2010. The median is arrived by listing the lowest to the highest number of active water connections of each service provider and identifying the statistical median. The service provider's number of active water connections percentage of the median for all service providers is determined by dividing the service provider's total number of active water connections by the median number of active connections accounts for all service providers.

| | |
|---|------------|
| Greater than Median | 0 Points |
| Greater than 80% but less than or equal to Median- | 44 Points |
| Greater than 60% but less than or equal to 80% of Median- | 88 Points |
| Greater than 40% but less than or equal to 60% of Median- | 131 Points |
| Greater than 20% but less than or equal to 40% of Median- | 175 Points |
| Less than or equal to 20% of Median- | 131 Points |

Data Source: As Stated Below

Service Provider's Number of Active Water Connections: Chief Financial Officer and the Chief Executive Officer certification of the number of active water connections as of 6/30/2010 that the service provider bills on regular interval (ie: monthly, quarterly, semi-annually, annually or any other regular interval)

Information Needed From Applicant To Score:

Service Provider's Number of Active Water Connections: _____

1b. What is the property taxable value per capita for the applicant's jurisdiction as compared to the average property taxable value per capita of all applicants answering no to Question 1. (175 Points Maximum)

1b. Score:_____

Methodology: (assumption – comparison of applicants answering no to Question 1.)

This score is determined by comparing the applicant's property taxable value per capita to the average property taxable value per capita of all applicants answering no to Question 1. The calculation considers the applicant's property taxable value per capita compared to the average property taxable value per capita of all applicants. The applicant's property taxable value is derived from the 2008 taxable values as published in the Texas Comptroller's Office *Annual Property Tax Report – Tax Year 2008 – Issued January 2010*. The applicant's per capita property taxable value is derived by dividing the property taxable value by the applicant's population. The average per capita property taxable value of all applicants is derived by totaling the property taxable values of all applicants and then dividing by the total population of all applicants. The applicant's property taxable value per capita percentage of the average of all applicants is determined by dividing the applicant's property taxable value per capita by the average property taxable value per capita of all applicants.

| | |
|--|------------|
| Greater than Average | 0 Points |
| Greater than 80% but less than or equal to Average- | 44 Points |
| Greater than 60% but less than or equal to 80% of Average- | 88 Points |
| Greater than 40% but less than or equal 60% of Average- | 131 Points |
| Less than or equal to 40% of Average- | 175 Points |

Data Source: As stated below

Property Taxable Value:

2008 taxable values as published in the Texas Comptroller's Office *Annual Property Tax Report – Tax Year 2008 – Issued January 2010.*

The website link is: www.window.state.tx.us/taxinfo/proptax/annual08/

Counties: The data source for counties is *Chapter 6, Focus on County Taxes,*
www.window.state.tx.us/taxinfo/proptax/annual08/2008_county_values.xls County
taxable values will be calculated as follows: Total Value Less *Deductions General Fund*
= Taxable Value.

Cities: For cities, as listed in *Chapter 7, Focus on City Taxes,*
www.window.state.tx.us/taxinfo/proptax/annual08/2008_city_values.xls under the
column titled *Taxable Value.*

Population: 2000 Census Data Summary File 3 Table P1

Information Needed From Applicant To Score:

Applicant's Property Taxable Value:

Applicant's Total Population:

Per Capita Taxable Value for Applicant:

1c. What is the per capita bonded indebtedness for the applicant as compared to the average of the per capita bonded indebtedness of all applicants. (75 Points maximum)

1c. Score:_____

Definition:

Bonded indebtedness - shall include, in addition to the principle, any interest accrued for this debt.

Methodology:

This score is determined by comparing the per capita bonded indebtedness to the average per capita bonded indebtedness of all applicants. The calculation considers the applicant's per capita bonded indebtedness compared to the average per capita bonded indebtedness of all applicants. The applicant's bonded indebtedness is derived from the applicant's Comprehensive Annual Financial Report as of 6/30/2010. The applicant population is determined from 2000 Census Data Summary File 3 Table P1. The applicant's per capita bonded indebtedness is arrived by dividing the total bonded indebtedness by the applicant's total population. The average per capita bonded indebtedness of all applicants is determined by totaling the bonded indebtedness of all applicants and then dividing by the total population of all applicants. The applicant's per capita bonded indebtedness percentage is determined by dividing the applicant's per capita bonded indebtedness by the average per capita bonded indebtedness for all applicants.

| | |
|--|-----------|
| Less than or equal to 80% of Average- | 0 Points |
| Greater than 80% but less than or equal to 120% of Average- | 15 Points |
| Greater than 120% but less than or equal to 140% of Average- | 30 Points |
| Greater than 140% but less than or equal to 160% of Average- | 45 Points |
| Greater than 160% but less than or equal to 180% of Average- | 60 Points |
| Greater than 180% of Average- | 75 Points |

Data Source: As stated below

Bonded Indebtedness: Comprehensive Annual Financial Report as of 6/30/2010

Applicant's Total Population: 2000 Census Data Summary File 3 Table P1

Information Needed From Applicant To Score:

Applicant's Bonded Indebtedness: \$ _____

Applicant's Total Population: _____

Per Capita Bonded Indebtedness: \$ _____